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OFFICIAL STATEMENT

# SOUTH COAST COUNTY WATER DISTRICT

ORANGE COUNTY, CALIFORNIA

\$2,750,000  
PRINCIPAL AMOUNT  
1976 WATER BONDS

(GENERAL OBLIGATIONS)



## **SOUTH COAST COUNTY WATER DISTRICT**

Orange County, California

### **BOARD OF DIRECTORS**

Thomas H. Brooks, *President*  
P. Norman Anderson, *Vice President*  
Clark J. Buswell  
Harold E. Edwards  
Ted J. O'Connell

---

Raymond C. Miller, *Secretary and General Manager*  
Robert W. Bonham, *Administrative Manager*  
D. J. Collins, *Operations and Maintenance Manager*

### **SPECIAL SERVICES**

#### **Consulting Engineers**

Boyle Engineering Corp.  
Newport Beach

#### **District Auditors**

Martin, Grimshaw Accountancy Corporation  
Orange

#### **Bond Counsel**

O'Melveny & Myers  
Los Angeles

#### **Financing Consultants**

Hornblower & Weeks-Hemphill, Noyes Incorporated  
San Francisco

#### **Paying Agents**

Security Pacific National Bank  
Los Angeles

Harris Trust and Savings Bank  
Chicago, Illinois

Bankers Trust Company  
New York, New York

*The information contained in this Official Statement was prepared under the direction of the District Board of the South Coast County Water District by Hornblower & Weeks-Hemphill, Noyes Incorporated, who were employed by the district as Financing Consultants in connection with the water project.*

*The information contained in this Official Statement has been compiled from sources believed to be reliable. The Official Statement contains estimates and matters of opinion which are not intended as representations of fact. This Official Statement is not to be construed as a contract with the purchasers of the bonds.*

THE DATE OF THIS OFFICIAL STATEMENT IS  
NOVEMBER 20, 1975

[Hornblower & Weeks-Hemphill,  
Noyes Inc.]

Public Util. Water Orange Co.

Investments Public Secur.

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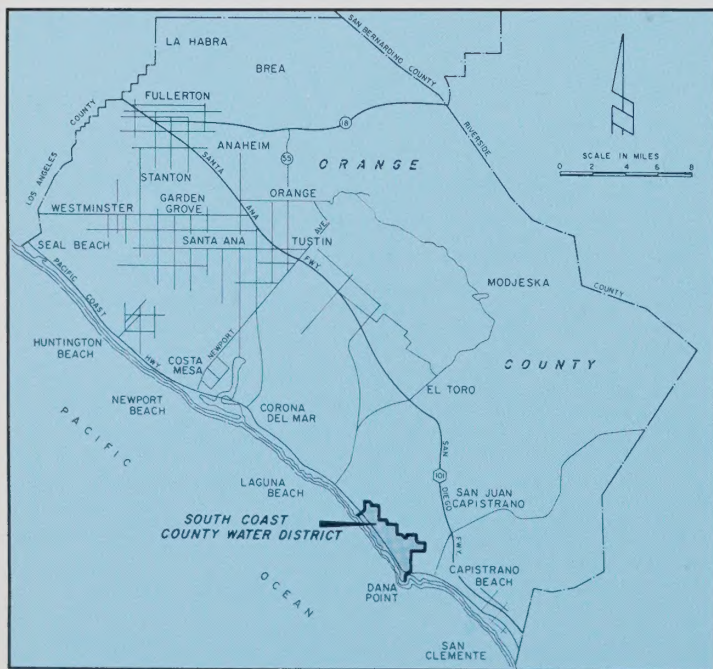
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## CONTENTS

	Page
<b>Introduction</b>	1
<b>The Bonds</b>	2
Authority for Issuance	2
Description of the Bonds	2
Redemption Provisions	2
Registration	2
Tax Exempt Status	2
Legal Opinion	2
Security	3
Annual Bond Service	3
<b>The Project</b>	4
<b>District Organization, Operation, and Financial Data</b>	5
Assessed Valuation	5
Tax Rates	6
Revenues and Expenditures	7
Debt Statement	8
<b>The District and Its Vicinity</b>	9
Population	10
Employment and Economic Development	10
Educational Facilities	13
Recreational Facilities	13
Transportation	14
Public Utilities	14

## TABLES

Table 1. Estimated and Actual Total Bond Service	3
Table 2. Summary of Estimated Project Costs	4
Table 3. Taxable Assessed Valuations	5
Table 4. 1975/76 District Assessed Valuation	5
Table 5. Representative 1975/76 Tax Rates	6
Table 6. District Assessed Valuations, Secured Tax Levies and Delinquencies	6
Table 7. Revenues and Expenditures	7
Table 8. Statement of Direct and Estimated Overlapping Bonded Debt	8
Table 9. Population Data	10
Table 10. Orange County Labor Market Survey	10



Map courtesy of Boyle Engineering Corp.  
Photographs courtesy of Smetona Photo.

## INTRODUCTION

The \$2,750,000 principal amount of South Coast County Water District 1976 Water Bonds are being sold to finance construction of water transmission, distribution and related facilities. The bond issue was authorized in November 1975 by more than 78% of those voting on the bond measure.

The South Coast County Water District, with an estimated population of 15,000 and a 1975/76 taxable assessed valuation of \$70,274,760, provides water service to a coastal area of approximately five square miles in Orange County, located between the City of Laguna Beach and the community of Dana Point.

The district is located in southern Orange County, one of the nation's most rapidly developing metropolitan areas. Within 20 miles of the district are located the University of California at Irvine; the extensive business and commercial developments at Newport Center; the Irvine Industrial Complex surrounding the Orange County Airport; and the more than 400 manufacturing plants located in the Newport Beach-Costa Mesa-Santa Ana area.

The district, established in 1932, levies property taxes and water service charges to meet operating and bond service costs. The district has also established connection charges to new hook-ups and revenues from that source are used to provide additional storage facilities. Upon sale of the 1976 Water Bonds, direct debt will be 7.33% of assessed valuation and 1.94% of estimated market value. Net direct and overlapping bonded debt will be 21.54% of assessed valuation and 5.69% of estimated market value. The district's per capita assessed valuation is \$4,685.

### ESSENTIAL FACTS

#### The Bonds

Principal amount	\$2,750,000
Maturities	1978 to 2000
Average life	17.82 years
Bond years	49,015
Maturities callable on or after 1987	1988 to 2000
Maximum coupon rate	8%
Maximum spread	2%

#### Financial and Economic Data

Estimated 1975 population	15,000
1975/76 Assessed valuation	\$70,274,760
1975/76 District tax rate per \$100	\$0.73
Representative total tax rate per \$100	\$8.48
Per capita assessed valuation	\$4,685
Ratio direct debt to assessed valuation	7.33%
Ratio net direct and overlapping debt to assessed valuation	21.54%

## THE BONDS

### MATURITY SCHEDULE

<i>Maturity Date July 1</i>	<i>Principal Maturing</i>
1978	\$ 40,000
1979	40,000
1980	50,000
1981	50,000
1982	50,000
1983	60,000
1984	60,000
1985	70,000
1986	70,000
1987	80,000
1988	80,000
1989	90,000
1990	90,000
1991	100,000
1992	110,000
1993	120,000
1994	130,000
1995	140,000
1996	150,000
1997	160,000
1998	170,000
1999	370,000
2000	470,000

#### Authority for Issuance

The \$2,750,000 principal amount of South Coast County Water District 1976 Water Bonds are general obligation bonds issued pursuant to the provisions of Resolution No. 11-75 of the South Coast County Water District, adopted November 20, 1975. Authority for issuance of the bonds is provided under the County Water District Law, Section 30000 et seq. of the Water Code of the State of California.

The bonds represent the entire principal amount authorized at a special election held in the district on November 4, 1975. The vote was 1127 in favor (78.7%) to 305 opposed.

#### Description of the Bonds

The bonds consist of \$2,750,000 aggregate principal amount numbered 1 to 550, inclusive, each in the denomination of \$5,000. The bonds are to be dated January 1, 1976. Interest is payable semiannually by coupon on January 1 and July 1 of each year, except that the first coupon representing 12 months' interest will be payable on January 1, 1977. Principal will mature and become payable in the amounts specified in the adjoining table.

Both principal and interest are payable at the principal office of Security Pacific National Bank in the City of Los Angeles, California, or at the principal office of Harris Trust and Savings Bank in the City of Chicago, Illinois, or at the principal office of Bankers Trust Company in the Borough of Manhattan, City and State of New York, paying agents for the district.

#### Redemption Provisions

The South Coast County Water District 1976 Water Bonds maturing on or before July 1, 1987, a total principal amount of \$570,000, are not redeemable prior to their fixed maturity dates. Bonds maturing on or after July 1,

1988, a total principal amount of \$2,180,000, are redeemable on any interest payment date on or after July 1, 1987, as a whole or in part in inverse order of maturity and by lot within a maturity at the principal amount plus a premium of (a) one-fourth of one percent plus (b) an additional one-fourth of one percent for each whole year and for any remaining fraction of a year between the maturity date and the date of redemption. The district will publish a notice of intended redemption at least 30 days before any bonds are to be called. Copies of the notice of redemption are to be mailed to the holders of any registered bonds designated for redemption.

#### Registration

The bonds will be issued as coupon bonds and will be registrable as to principal only or as to both principal and interest, and the form of registration may be changed or the bonds discharged from registration.

#### Tax Exempt Status

In the opinion of bond counsel, the interest on the bonds is exempt from all present Federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions.

#### Legal Opinion

The legal opinion of Messrs. O'Melveny & Myers, Los Angeles, California ("Bond Counsel") approving the validity of the bonds will be supplied free of charge to the purchasers at the time of the original delivery of the bonds. A copy of the legal opinion will be printed on each bond without charge to the successful bidder.

The statements of law and legal conclusions set forth herein under the captions "Authority for Issuance", "Description of the Bonds", "Redemption Provisions", "Registration", "Tax Exempt Status" and "Security" have been reviewed by Bond Counsel. Bond Counsel's employment is limited to a review of the legal proceedings required for the authorization of the bonds and to rendering opinions as to

the validity of the bonds and the exemption of interest on the bonds from income taxation. The opinion of Bond Counsel will not consider or extend to any documents, agreements, representations, offering circulars or other material of any kind concerning the bonds not mentioned in this paragraph.

### Security

The bonds are general obligations of the South Coast County Water District and the district has the power and is obligated to levy ad valorem taxes for the payment of all principal and interest on the bonds on all property within the district (except for certain intangible personal property which is taxable at limited rates) without limitation of rate or amount.

### Annual Bond Service

Table 1 presents an estimate of annual bond service on the 1976 Water Bonds. Interest has been estimated at 7½%. Also shown is the remaining debt service on the outstanding general obligation bonds.

**TABLE 1**  
SOUTH COAST COUNTY WATER DISTRICT  
ESTIMATED AND ACTUAL TOTAL BOND SERVICE

Year	1976 Water Bonds						
	Principal Outstanding Beginning of Year	Interest Estimated at 7½%		Principal Maturing July 1	Total Estimated Bond Service	Actual Bond Service 1968 Bonds	Total Bond Service Both Issues
		January 1	July 1				
1977	\$2,750,000	\$ 206,250*	\$ 103,125	\$ —	\$ 309,375	\$ 178,900	\$ 488,275
1978	2,750,000	103,125	103,125	40,000	246,250	180,700	426,950
1979	2,710,000	101,625	101,625	40,000	243,250	182,100	425,350
1980	2,670,000	100,125	100,125	50,000	250,250	178,200	428,450
1981	2,620,000	98,250	98,250	50,000	246,500	179,300	425,800
1982	2,570,000	96,375	96,375	50,000	242,750	180,100	422,850
1983	2,520,000	94,500	94,500	60,000	249,000	181,350	430,350
1984	2,460,000	92,250	92,250	60,000	244,500	182,350	426,850
1985	2,400,000	90,000	90,000	70,000	250,000	183,015	433,015
1986	2,330,000	87,375	87,375	70,000	244,750	183,425	428,175
1987	2,260,000	84,750	84,750	80,000	249,500	183,580	433,080
1988	2,180,000	81,750	81,750	80,000†	243,500	183,480	426,980
1989	2,100,000	78,750	78,750	90,000†	247,500	183,125	430,625
1990	2,010,000	75,375	75,375	90,000†	240,750	182,405	423,155
1991	1,920,000	72,000	72,000	100,000†	244,000	181,425	425,425
1992	1,820,000	68,250	68,250	110,000†	246,500	185,185	431,685
1993	1,710,000	64,125	64,125	120,000†	248,250	183,425	431,675
1994	1,590,000	59,625	59,625	130,000†	249,250	181,405	430,655
1995	1,460,000	54,750	54,750	140,000†	249,500	184,125	433,625
1996	1,320,000	49,500	49,500	150,000†	249,000	186,250	435,250
1997	1,170,000	43,875	43,875	160,000†	247,750	182,850	430,600
1998	1,010,000	37,875	37,875	170,000†	245,750	184,188	429,938
1999	840,000	31,500	31,500	370,000†	433,000	—	433,000
2000	470,000	17,625	17,625	470,000†	505,250	—	505,250
Totals		\$1,889,625	\$1,786,500	\$2,750,000	\$6,426,125	\$4,010,883	\$10,437,008

\* One year's interest.

† Callable on or after July 1, 1987.

## THE PROJECT

The South Coast County Water District provides water to approximately 3,800 services in a 3,200-acre area located on the southern coastline of Orange County between Laguna Beach on the north and Dana Point to the south. The water supply is derived from the Metropolitan Water District of Southern California. In 1945 the district sold a \$267,000 general obligation bond issue to finance construction of a 16-inch transmission main from a M.W.D. reservoir at Corona del Mar, to purchase capacity rights in two reservoirs, and to develop pumping facilities. The transmission main was developed in cooperation with the Laguna Beach County Water District. The 1945 bonds have been retired.

In 1968 the district sold \$2,500,000 of general obligation bonds to finance new transmission and distribution facilities and to construct additional reservoirs to accommodate a growing population. Since 1968 the district has added approximately 1,700 service connections. Remaining debt service on the 1968 bonds is shown in Table 1.

From the proceeds of the 1976 bond issue the district has allocated \$850,000 to the replacement of an existing deteriorated water main which was installed in 1946 along the Coast Highway through the City of Laguna Beach. The project is a joint venture with the Laguna Beach County Water District, and the new single main will serve both districts, replacing two mains now being used.

Approximately \$830,000 will be used for the restoration of existing under-sized and deteriorated water distribution facilities in certain older areas of the district to bring them up to present day standards, reduce maintenance costs, improve service, and provide improved fire protection. In addition, \$130,000 will be spent on an automatic telemetry control system to replace present manually controlled operation of the district's pumping and storage facilities. Table 2 shows a breakdown of project costs.

**TABLE 2**  
SUMMARY OF ESTIMATED PROJECT COSTS

Transmission main construction	\$ 850,000
Distribution facilities	830,000
Telemetry control system	130,000
Contingencies	125,000
Engineering, testing, inspection	765,000
Legal, financing and incidentals	50,000
Total Project Cost	\$2,750,000

## DISTRICT ORGANIZATION, OPERATION, AND FINANCIAL DATA

The South Coast County Water District was established in 1932 and operates under provisions of the County Water District Law, Division 12, Section 30000 et seq. of the California Water Code. The governing board of the district consists of five members elected at large for four-year overlapping terms. The president of the board is selected by a vote of the members.

The day-to-day affairs of the district are administered by a General Manager who is appointed by and serves at the pleasure of the Board of Directors. Mr. Raymond C. Miller has served the district as General Manager since 1972.

### Assessed Valuation

The district's assessed valuation is established by the Orange County Assessor except for the assessed valuation of public utility property which is assessed by the State Board of Equalization. The State Board of Equalization reports that 1975/76 Orange County assessed valuations average 26.5 percent of full value. Public utility property is assessed at 25 percent of full value. Growth of the district's assessed valuation is shown in Table 3. As can be seen, the district's assessed valuation more than quadrupled between 1965/66 and 1975/76.

Since 1969, two types of exemptions of property from ad valorem taxes have become effective. One of these exempts 50 percent of business inventories from ad valorem taxes and the other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. The revenue estimated to be lost to each taxing entity as a result of these exemptions is to be reimbursed to the taxing entity from state funds. The reimbursement is based upon the total taxes which would be due on the assessed valuation of the property qualifying for these exemptions. Table 4 is a summary of the district's 1975/76 assessed valuations.

**TABLE 3**  
SOUTH COAST COUNTY  
WATER DISTRICT  
TAXABLE ASSESSED  
VALUATIONS

<i>Fiscal Year</i>	<i>Assessed Valuation</i>
1965/66	\$17,408,240
1966/67	20,013,400
1967/68	23,647,420
1968/69	25,124,300
1969/70	28,439,605
1970/71	34,342,230
1971/72	35,413,661
1972/73	43,503,244
1973/74	51,537,320
1974/75	60,099,000
1975/76	70,274,760



\$400,000 pier completed on one of the two public beaches in the District.

**TABLE 4**  
1975/76 DISTRICT ASSESSED  
VALUATION

<i>Assessment Roll</i>	<i>Assessed Valuation For Revenue Purposes</i>
Secured	\$67,513,090
Utility	1,737,050
Unsecured	1,024,620
Totals	\$70,274,760

## Tax Rates

The district's 1975/76 tax rates per \$100 taxable assessed valuation for general purposes and bond service are \$0.2976 and \$0.4324, respectively. The total district rate of \$0.73 has been maintained for the past three years.

Taxes are levied on the assessed valuation of taxable property as established by the Orange County Assessor and the State Board of Equalization. Table 5 shows the distribution of the 1975/76 tax rate for all overlapping jurisdictions. The rates are applicable to Tax Code Area 66-034 which has a 1975/76 assessed valuation of \$13,934,410.

Orange County collects the district's taxes in two installments which become delinquent if not paid on or before December 10 and April 10. Table 6 shows total levies, collections and delinquencies for all jurisdictions overlapping the South Coast County Water District since 1970/71 as reported by the County Auditor-Controller.

**TABLE 5**  
REPRESENTATIVE 1975/76 TAX RATES  
TAX CODE AREA 66-034\*

Orange County	\$1.6300
Laguna Beach Unified School District (general)	2.7226
Saddleback Junior College (general)	0.8481
School district and junior college bonds	0.2902
All other educational purposes	0.2599
South Laguna Sanitary District	0.6260
South Coast County Water District	0.7300
Orange County Flood Control District	0.2169
County Library District	0.1559
County Park and Harbor District	0.1091
County structural fire protection	0.4372
Metropolitan Water District	0.1300
All other	0.3198†
<b>Total</b>	<b>\$8.4757</b>

\* The 1975/76 assessed valuation is \$13,934,410.

† Includes \$0.1276 upon land and improvements only for Orange County Street Lighting Maintenance District No. 1.

**TABLE 6**  
DISTRICT ASSESSED VALUATIONS, SECURED TAX LEVIES  
AND DELINQUENCIES

<i>Fiscal Year</i>	<i>Taxable Assessed Valuation</i>	<i>District Tax Rate</i>	<i>Total Secured Tax Levy</i>	<i>Amount Delinquent June 30</i>	<i>Percent Delinquent June 30</i>
1970/71	\$34,342,230	\$0.63	\$203,767	\$ 3,305	1.62%
1971/72	35,413,661	0.63	211,833	2,746	1.30
1972/73	43,503,244	0.63	261,052	3,765	1.44
1973/74	51,537,320	0.73	350,944	4,895	1.39
1974/75	60,099,000	0.73	398,930	16,832	4.22

## Operating Revenues and Expenditures

Table 7 shows revenues and expenditures for the period 1970/71 through 1974/75. Property taxes and water service charges are the principal sources of district revenue.

In 1968 the district adopted an ordinance providing for connection charges for new hook-ups to the water system. The ordinance provided that revenues from the connection charges could only be used for storage

facilities or to retire bonds sold to finance construction of storage facilities. Since 1968 the district has collected \$488,704, all of which has been expended for additional water storage facilities.

**TABLE 7**  
SOUTH COAST COUNTY WATER DISTRICT  
OPERATING REVENUES AND EXPENDITURES

	1970/71*	1971/72*	1972/73*	1973/74*	1974/75*
<b>REVENUES</b>					
Water sales	\$271,174	\$317,305	\$379,437	\$408,311	\$430,660
Property taxes	207,609	221,037	271,705	398,060	435,531
Interest	11,216	20,360	25,991	27,829	28,493
Miscellaneous water services	24,553	16,549	26,979	20,819	13,156
<b>TOTAL REVENUE</b>	<b>\$514,552</b>	<b>\$575,251</b>	<b>\$704,112</b>	<b>\$855,019</b>	<b>\$907,840</b>
<b>OPERATING EXPENDITURES</b>					
Source of Supply	\$ 86,582	\$113,077	\$141,263	\$179,155	\$167,505
Pumping expense	15,368	23,923	26,211	27,795	35,969
Transmission and distribution	16,076	41,012	77,314	59,627	85,469
General and administrative	123,712	151,761	185,246	181,822	238,566
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$241,738</b>	<b>\$329,773</b>	<b>\$430,034</b>	<b>\$448,399</b>	<b>\$527,509</b>
<b>DEBT SERVICE</b>	<b>\$135,079</b>	<b>\$134,091</b>	<b>\$244,615</b>	<b>\$296,009</b>	<b>\$391,896</b>
<b>TOTAL EXPENDITURES</b>	<b>\$376,817</b>	<b>\$463,864</b>	<b>\$674,649</b>	<b>\$744,408</b>	<b>\$919,405</b>
<b>NET REVENUES</b>	<b>\$137,735</b>	<b>\$111,387</b>	<b>\$ 29,463</b>	<b>\$110,611</b>	<b>\$(11,565)</b>

\* As reported in District audits excluding depreciation charges.

## Debt Statement

Table 8 shows a statement of the district's direct and estimated overlapping bonded debt as of December 22, 1975. The district's share of authorized and unsold bonds is \$649,700 for the Metropolitan Water District of Southern California and \$780,644 for the Capistrano Unified School District. The district's share of state school building aid repayable as of June 30, 1975 is \$342,098.

**TABLE 8**  
STATEMENT OF DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT\*

Estimated 1975 population	15,000		
1975/76 assessed valuation	\$70,274,760		
1975/76 estimated market value	\$266,000,000†		

Entity	Percent Applicable	Debt Applicable December 22, 1975
Orange County	0.993%	\$ 41,507‡
Orange County Building Authorities	0.993	258,715
Orange County Flood Control District	0.993	228,340
Metropolitan Water District	0.178	979,109
Saddleback Junior College District	5.186	349,536
South Laguna Sanitary District	99.175	4,368,659
Capistrano Unified School District	10.504-10.621	3,178,055
Laguna Beach Unified School District	19.284	581,413
South Coast County Water District	100.000	5,150,000§
Total Direct and Overlapping Bonded Debt		\$15,135,334

	Ratio to		Per Capita
	Assessed Valuation	Estimated Market Value	
Assessed valuation	—	—	\$4,685
Direct debt	7.33%	1.94%	343
Total direct and overlapping bonded debt	21.54	5.69	1,009

\* Compiled in cooperation with California Municipal Statistics, Inc.

† The State Board of Equalization reports that 1975/76 Orange County assessed valuations average 26.5% of market value. Public utility property (\$1,737,050) is assessed by the State Board of Equalization at 25% of market value.

‡ Excludes district share (\$14,555) of Orange County lease-purchase obligations (\$1,465,738).

§ Includes \$2,750,000 of 1976 Water Bonds to be sold December 22, 1975.

## THE DISTRICT AND ITS VICINITY

The South Coast County Water District is located along the coast of the Pacific Ocean in southern Orange County, approximately 50 miles south of downtown Los Angeles and approximately 60 miles north of San Diego. The district serves a population of approximately 15,000. State Highway 1, and State Highway 133, which connects to the Santa Ana-San Diego Freeways, provide district residents convenient access to major employment centers in Orange and Los Angeles Counties. Driving time to the Cities of Santa Ana, Newport Beach, Costa Mesa, Anaheim, and Fullerton averages approximately 30 minutes.

The district is principally residential in character with most residents living in the communities of South Laguna, Three Arch Bay, Monarch Bay, Monarch Terrace, Niguel Shores, and a portion of the Dana Point area. Homes and condominiums in the district are of above average quality, with many residences in the exclusive areas bordering the Pacific Ocean ranging in price from \$75,000 to more than \$750,000.

Growth within the district and its vicinity has been generated in the main by the continuing urbanization and economic development of Orange County. Starting in the early 1950's

the county's economy, once agriculturally oriented, began a sustained period of steady economic growth and diversification. Initially the county's manufacturing base centered in highly technical and specialized defense-oriented industries; however, in recent years, substantial expansion has taken place in civilian-oriented industries such as machinery, metals, rubber and plastics, paper products, and civilian electronics. This has helped the county to evolve into an important diversified manufacturing center that serves regional, national, and international markets. Orange County now ranks second only to Los Angeles County in total manufacturing employment in California.



*South Coast County Water District is principally residential in character and homes along the ocean range in price from \$75,000 to \$750,000.*



*This seven-story facility contains 1 million square feet of floor space. The building will be used by the General Services Administration of the Federal Government for bulk storage of government records.*

**TABLE 9**  
SOUTH COAST COUNTY WATER DISTRICT  
AND ADJACENT COMMUNITIES POPULATION DATA

Year	District*	San Clemente	Laguna Beach	San Juan Capistrano
1940	1,250	479†	4,460†	— ‡
1950	2,350	2,008†	6,661†	— ‡
1960	3,450	8,527†	9,288†	— ‡
1970	9,000	17,063†	14,550†	3,781†
1975	15,000	20,850§	15,150§	11,750§

\* District estimates.

† U. S. Census figures.

‡ City incorporated in 1961. No prior data available.

§ State Department of Finance estimates as of January 1, 1975.

## Population

District population is estimated at 15,000 with ultimate population projected at 34,000 based on anticipated land use in the area. Table 9 shows population growth of the district and adjacent communities.

## Employment and Economic Development

Since the early 1950's the county's economic base has experienced substantial development and diversification. The growth and distribution of employment in the county over the past ten years is shown in Table 10. The diversity of the county's economic base is indicated by the substantial employment in manufacturing, trade, government, and service industries.

South Coast Community Hospital, the largest employer in the South Coast area, is located on the Coast Highway in South Laguna. It is served by a staff of about 180 physicians and surgeons who practice in the area, and employs on a full or part-time basis approximately 450 people. Erected as a community-owned enterprise on a 22-acre site in 1959, it has been expanded from a 75-bed facility to a present licensed capacity of 263 beds, representing a

**TABLE 10**  
ORANGE COUNTY LABOR MARKET SURVEY\*

Industry	May 1964	May 1969	May 1974	May 1975
Manufacturing	91,800	130,000	151,700	148,900
Wholesale and retail trade	57,300	92,300	129,900	141,300
Services	41,200	66,100	101,200	110,600
Government	39,100	63,100	84,000	93,900
Construction	24,000	22,700	32,100	23,000
Finance, insurance, real estate	11,500	18,200	28,800	30,900
Transportation, communication, utilities	9,000	13,200	17,800	17,500
Agriculture	7,100	5,800	10,900	10,800
Total Employment	281,000	411,400	556,400	576,900

\* State of California Employment Development Department, Employment Data and Research.

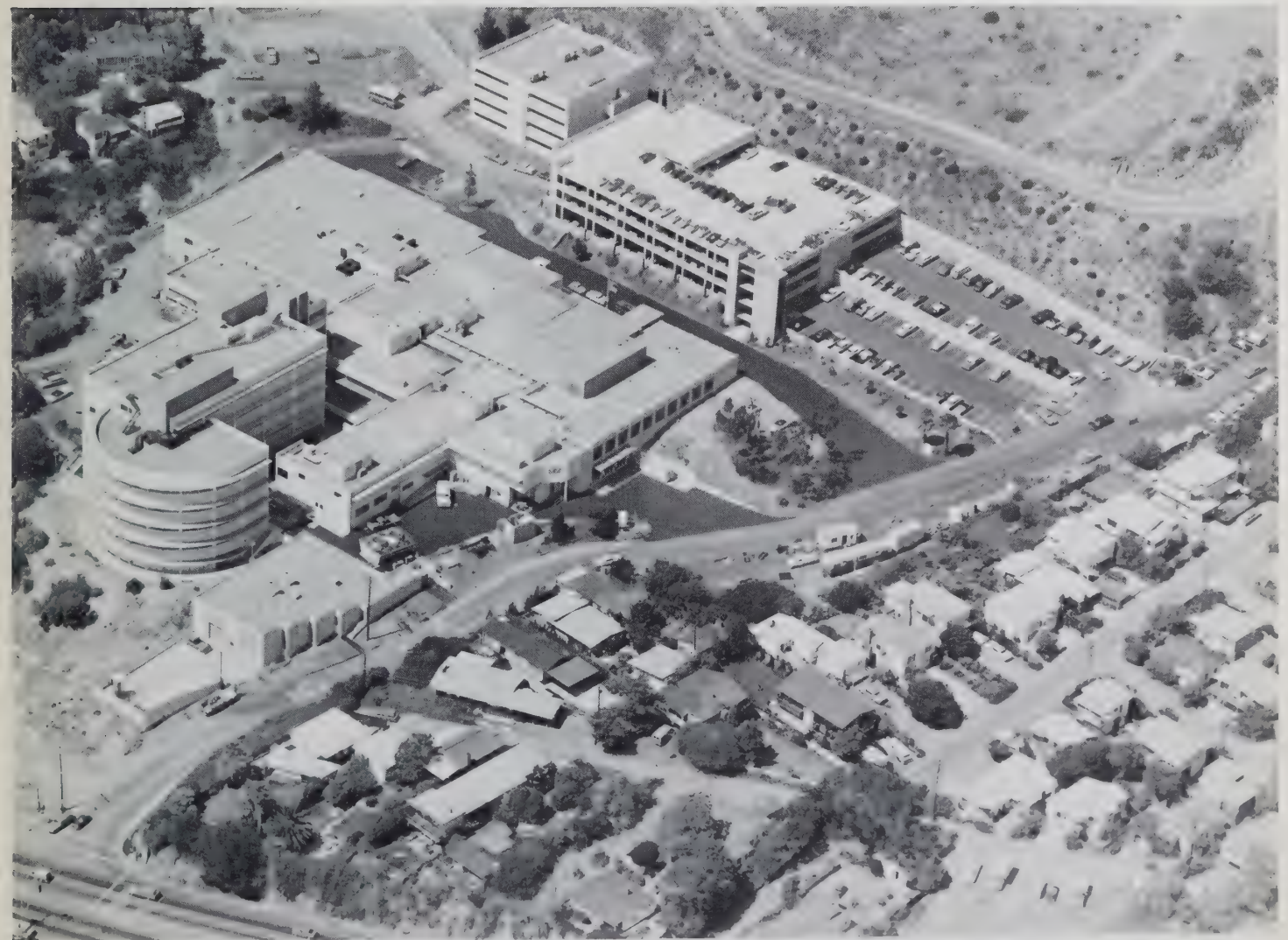
replacement value in excess of \$25 million. In addition to acute general care, the hospital also offers around-the-clock emergency and out-patient services.

The Federal Government, through the General Services Administration, has acquired a seven-story, \$24 million plant built but never occupied by the North American Rockwell Corporation in Laguna Niguel, adjacent to the district. The 1 million square feet of floor space, according to GSA officials, is used for bulk storage of government records, and the facility will eventually provide employment for an estimated 5,000 people.

The South Coast County Water District and adjacent areas in southern Orange County have shared in the overall development that has taken place in the county. The main thrust to their growth has been supplied by the development of the Irvine Ranch, Laguna Niguel, Mission Viejo, and the Moulton Ranch.

Major focal points of economic development in southern Orange County adjacent to the district include the Irvine Industrial Complex around Orange County Airport, Newport Center, and the University of California at Irvine. These developments which provide a substantial economic base for all of southern Orange County are within a short commute distance to the district.

The Irvine Industrial Complex is one of the largest and fastest growing industrial complexes in the nation. Its proximity to the western market, the abundance of professional and blue-collar workers, and the conducive atmosphere for a balanced industrial-residential community are the main reasons advanced by companies for locating in the area. The complex is bounded by three major freeways, service is available from two railroads, and Orange County Airport is located in the center of the complex.



*The 263-bed South Coast Community Hospital, located in the District, is staffed by 180 physicians and employs approximately 450 people.*

Representative national companies include the Aeronutronic Division of the Ford Motor Company; Collins Radio Company; Coca Cola Bottling Co.; Dow Corning Corporation; Xerox Corporation; Technicolor, Inc.; Charles Pfizer & Co., Inc.; American Hospital Supply Corp.; the Fluor Corp., and Container Corp. of America. Industries tend to be the research and development type and light manufacturing, requiring a high percentage of professional employment. Manufacturing activities of the plants tend to cluster in the electronic, aerospace, electrical equipment, marine and housewares industries.

The most important development affecting commercial activity in the southern Orange County coastal area is Newport Center, a 622-acre financial, commercial and cultural center developed by the Irvine Company which opened in September 1967. In addition to a 75-acre commercial complex, the center contains high-rise office buildings, including the \$10,000,000 AVCO Financial Center.

The Newport Center Financial Plaza when fully developed will encompass seven high-rise structures and three smaller office buildings. The combined net worth of the financial institutions presently located in the Plaza is estimated at more than \$3 billion.

The largest undeveloped area under single ownership within the South Coast County Water District consists of an 860-acre parcel bordering on the Pacific Coast Highway between developed Laguna Niguel and Dana Point. It was purchased in November 1967 by the Laguna Niguel Corporation from the Ednah Capron Estate for \$10.5 million. Avco Community Developers succeeded Laguna Niguel Corporation in 1970 as master developers of Laguna Niguel, en toto an 8,000-acre unincorporated planned community. Residential construction there had begun in 1968. When fully developed, the acreage — which extends inland to the San Diego Freeway — is expected to contain about 13,000 to 15,000 living

units. It currently includes an 18-hole golf course, private country club and tennis club, a 160-acre regional park including a 40-acre fresh-water lake, three private recreational centers and three shopping complexes. Other amenities are planned including another golf course as well as a variety of housing units — single family and condominium. It is also the site of the Orange County South Coast Regional Civic Center and one of the U.S. government's largest General Services Administration facilities (1,000,000 square feet). The ultimate development cost is estimated at \$750,000,000.

The impact of Laguna Niguel's development on the south county area, including the water district, has been substantial. It is estimated that since beginning of construction, \$250 million in improvements have been completed. All builders and developers who own or purchase land within the community must comply strictly with the designated planning codes.

With 4,300 homes built or under construction, Laguna Niguel's population is presently approximately 14,000. It is estimated that an additional 8,000 to 11,000 units will be added annually over the next few years. Ultimate population of the planned community is projected to range from 38,000 to 40,000.

Of the projected development, approximately 1,550 units have been completed in Monarch Bay, Monarch Bay Terrace Extension, Sea Terrace, and Niguel Shores.

Plans for the ultimate development call for an additional 2,000 dwelling units in the Sea Terrace and another 900 units in Monarch Shores. The projected ultimate population for these areas is approximately 12,500. In addition to this residential development, current plans include a 250-room hotel complex, 60 acres of commercial uses, a public library site, a fire station site, and approximately 62 acres of public parks and beaches.

The Mission Viejo Company has generated a significant impact on the economic development of the south coast portion of Orange County. The focal point of the company's 11,000-acre development is approximately five miles north of the district. Since the beginning of residential construction in 1966, the company has completed and sold more than 6,000 residences. Sales prices for dwellings currently under construction range from \$55,000 to \$120,000. Development of the company's entire holdings is expected to continue through the 1990's when an estimated 30,000 dwelling units will have been constructed. In addition to residential construction the company's facilities include a \$1,250,000 shopping center, a \$1.5 million medical building, and a 126-bed privately-owned general hospital.

#### **Educational Facilities**

Public elementary and secondary educational services to district residents are furnished by the Capistrano Unified School District and the Laguna Beach Unified School District.

The Orange County campus of the University of California, Irvine, is located on a 1,510-acre site approximately 12 miles from the district. The University began operations in 1965 as a general campus to provide undergraduate and graduate instruction; post-doctorate programs; teacher education; instruction in professional fields; and execution of basic and applied research.

Other institutions of higher education in Orange County which are conveniently accessible to district residents include four community colleges; California State College, Fullerton; Chapman College; Western State University College of Law, Anaheim; and Pepperdine University College of Law, Santa Ana.

#### **Recreational Facilities**

Exceptional recreational facilities are available to residents of the district and other south coast communities in Orange County. The warm climate, resort-like atmosphere of the coastal area, and the Pacific Ocean itself, provide numerous opportunities for varied recreational pursuits.

Immediately adjacent to the south of the district, lies the \$25 million small boat harbor at Dana Point, providing berthing for approximately 2,800 pleasure craft. The first 1,400 spaces are now occupied, and launching facilities for up to 1,000 trailered boats per day are in operation. Motel, restaurant, and marine-oriented commercial facilities developed by private operators, are open the year around. Completion of the remaining 1,400 berths is currently under contract.

Major inland recreation and vacation facilities include the famous Disneyland, historical Mission San Juan Capistrano, Knott's Berry Farm, and the Anaheim Stadium and Convention Complex.

Within the district, two public beaches — one at the mouth of Aliso Creek and the other just south of Salt Creek — provide swimming, surfing and fishing for residents and tourists. Aliso Creek beach has an additional attraction in a \$400,000 pleasure and fishing pier erected for public use in 1972.



*The \$25 million small boat harbor at Dana Point provides berthing for approximately 2,800 pleasure craft. The facility is immediately south of the District.*

### Transportation

Orange County has excellent road, rail, air, and sea transportation facilities — main factors for attracting industry. The Santa Ana and San Diego Freeways provide the major north-south routes through the county, while east-west travel is facilitated by the Newport, Garden Grove, and Riverside Freeways. The major new developments in southern Orange County have also provided excellent local highway systems to accommodate residents.

The county is served by the Atchison, Topeka and Santa Fe, Union Pacific, and Southern Pacific railroad systems, and Amtrak service is available. The county is served by two commercial-general aviation airports — Fullerton Municipal and Orange County Airports.

Orange County Airport is strategically located in the center of the Irvine Industrial Complex and at the intersection of major freeway interchanges to accommodate both business and casual users. Scheduled airlines which provide regular service include Air California, Hughes Air West and other local feeder lines.

An airpark in San Juan Capistrano for small planes provides a convenient facility for those using small private aircraft for recreation, commuting or business. It also is available for airfreight service to the small industrial center adjacent to the air strip.

### Public Utilities

The Metropolitan Water District of Southern California, through the Colorado River Aqueduct system and the State Water Project, supplies the major quantity of water produced and consumed in Orange County.

Natural gas is supplied throughout the county by Southern California Gas Company. Electric power for most of the county is provided by the Southern California Edison Company. The San Diego Gas and Electric Company covers the southern portion of the county. Telephone service is provided by Pacific Telephone Company and the General Telephone Company.

The Southern California Edison Co. and the San Diego Gas & Electric Co. are in the process of expanding their jointly-owned nuclear power plant at San Onofre just south of San Clemente. The expansion will add 2,280,000 KWH to the present plant capacity of 450,000 KWH.



*The Monarch Bay Plaza shopping and community center is located in the District.*

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